

MNGT-C1010

ORGANIZATION DESIGN

Module 5: Initiating and "doing" the change

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MODULE 5: Initiating and "doing" the change (JM + Visitor: [Anna-Mari Fagerström](#))

Themes: Initiating and "doing" the change. Basic tools of doing organizational development.

Learning objectives: After the module, you are able to capture the systemic and nonlinear nature of organizational design, learn to comprehend and appraise how "imperfect-by-design" relates to organization design. You will also learn basics on how to setup structures for continuous, iterative, and user-centric organization design .

Mandatory readings:

Garud, R., Jain, S., & Tuertscher, P. (2008). Incomplete by design and designing for incompleteness. *Organization studies*, 29(3), 351-371.

Dunbar, R. L., & Starbuck, W. H. (2006). Learning to design organizations and learning from designing them. *Organization Science*, 17(2), 171-178.

Madsen, P., Desai, V., Roberts, K., & Wong, D. (2006). Mitigating hazards through continuing design: The birth and evolution of a pediatric intensive care unit. *Organization Science*, 17(2), 239-248.

MODULE 3: Readings & Sessions

Tuesday 13-15 – Lecture - U356 (ALMA MEDIA)

Guest Lecture: Anna-Mari Fagerström (Futurice, Head of Strategy & Culture Consultancy)

Themes: Principles of doing the change

Readings: Garud, R., Jain, S., & Tuertscher, P. (2008). Incomplete by design and designing for incompleteness. *Organization studies*, 29(3), 351-371.

Thursday 13-16 – Workshop – U119 (DELOITTE)

Themes: Practicalities of doing the change

Readings: Dunbar, R. L., & Starbuck, W. H. (2006). Learning to design organizations and learning from designing them. *Organization Science*, 17(2), 171-178.

Madsen, P., Desai, V., Roberts, K., & Wong, D. (2006). Mitigating hazards through continuing design: The birth and evolution of a pediatric intensive care unit. *Organization Science*, 17(2), 239-248.

Optional: Suarez, F. F., & Montes, J. S. (2020). Building organizational resilience. *Harvard Business Review*, 98(6), 47-52.

Discussion on the readings

Garud, R., Jain, S., & Tuertscher, P. (2008). Incomplete by design and designing for incompleteness. *Organization studies*, 29(3), 351-371.

Discuss in pairs:

- **What did you find most interesting?**
- **What questions arose?**

Focus of the day

We aim to address the following questions:

1. What are the different principles in continuous, user-centric, and iterative organization design process?
2. A concrete case study from the real life

— Organization Design - Outcomes

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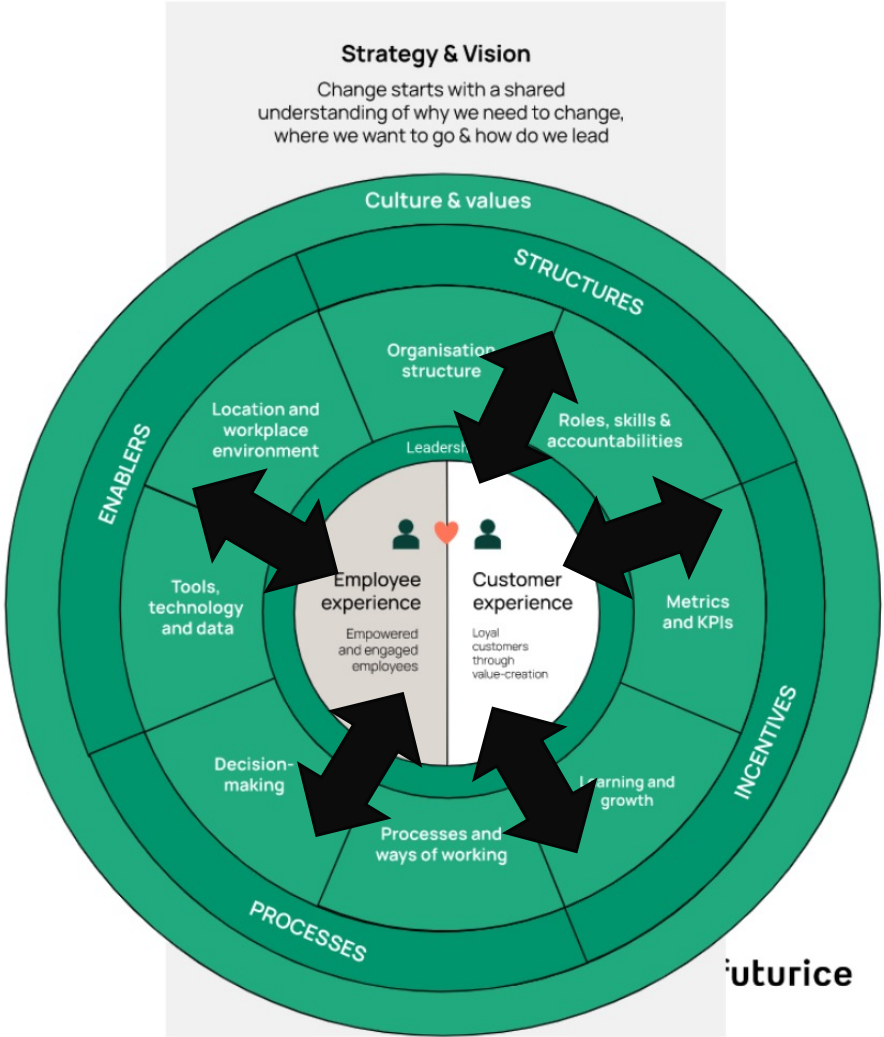
Common drivers of organizational transformation

- **Attracting and keeping talent**
- **Reaping the benefits of digitalization**
- **Getting more responsive to the market**
- **Putting customer into the center**
- **Looking for ways to apply and lead with data**
- **...**

The Key Questions

- 1) What kind of organization design helps us to create value for our employees?
- 2) What kind of organization design helps us to create value for our customers?

EX & CX are entangled with organization design



Organization Design - Two Definitions

“Organizational design involves two complementary problems:

(1) how to partition a big task of the whole organization into smaller tasks of the sub-units; and

(2) how to coordinate these smaller subunits tasks so that they fit together to efficiently realize the bigger task or the organizational goals.”

Burton, Obel, & Håkonsson (2015, p. 8)

“We define [organization design] as explicit efforts to improve organizations.”

Dunbar and Starbuck, 2006, p. 171

Dual Nature of Design

OUTCOME

Strategy & Vision

Structures

Roles & Accountabilities

Decision-making processes

Other processes and ways of working

Tools and technology

Physical and digital working environment

Hard and soft incentives

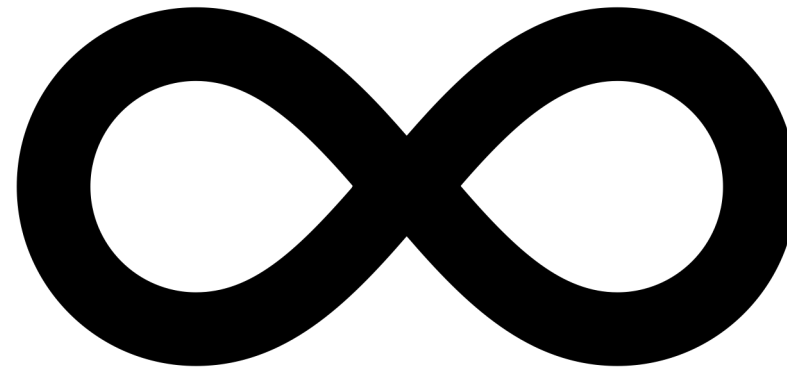
PROCESS

Who decides?

Who designs? For whom?

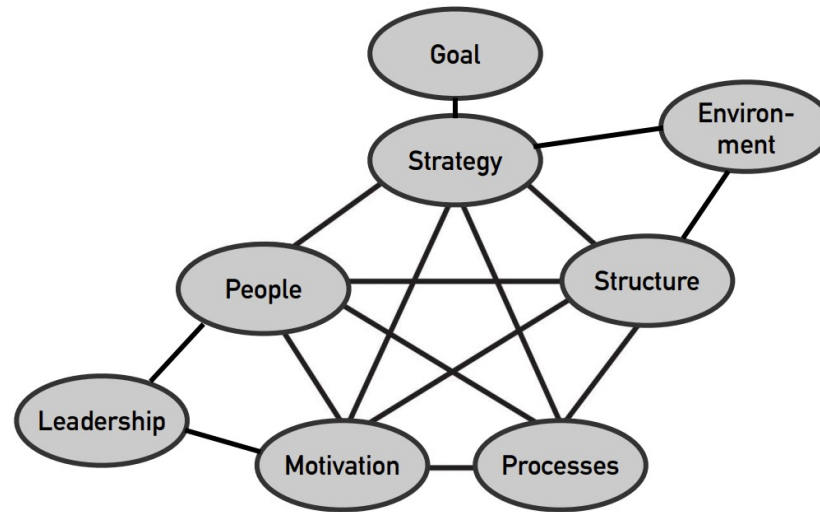
Who are involved? How? When?

What are the design drivers?



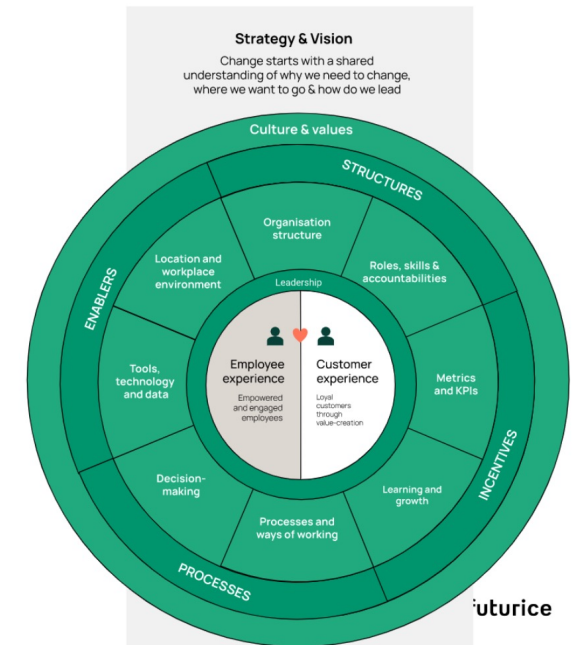
TOTAL ENTANGLEMENT

Outcomes – Different Models



Source: Galbraith, J. R. (2002). Organizing to deliver solutions. *Organizational Dynamics*, 31(2), 194–207.

Galbraith, J. R. (2002). Organizing to deliver solutions. *Organizational dynamics*, 31(2), 194.



Source: Futurece

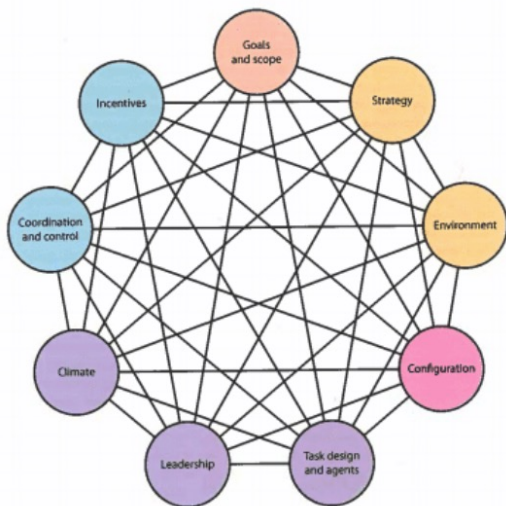
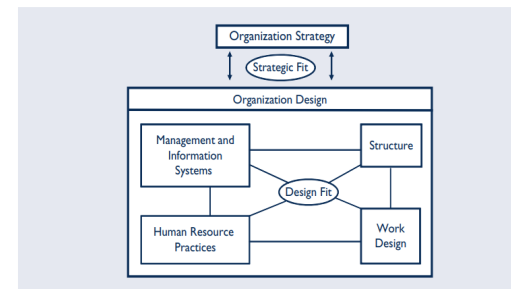


Figure 1.3 Component relations in the multi-contingency model

Source: Burton, R. M., Obel, B., & Håkonsson, D. D. (2021). Organizational design.

[Figure 20.2] Organization Design Model



Source: Cummings, T. G., & Worley, C. G. (2014). Organization development and change. Cengage learning.

Organization Design – Process

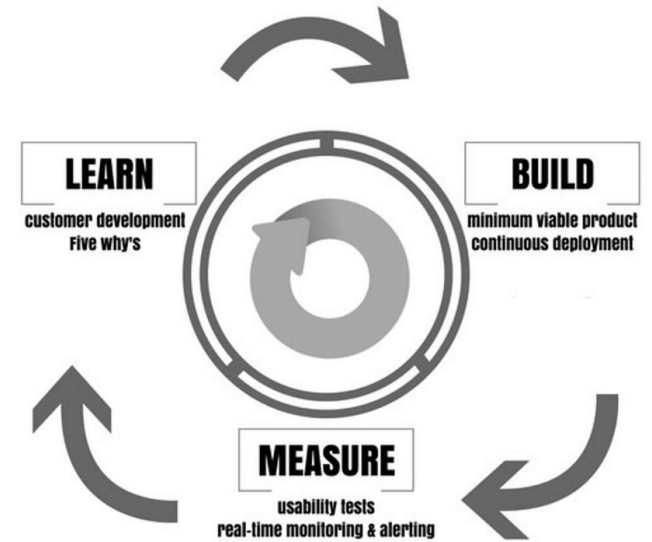
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Useful perspectives - Experimental

Linear progress		Non-linear progress
Launch and forget		Build – Measure – Learn
Assumption led		Validation led
Design for completeness		Design for incompleteness

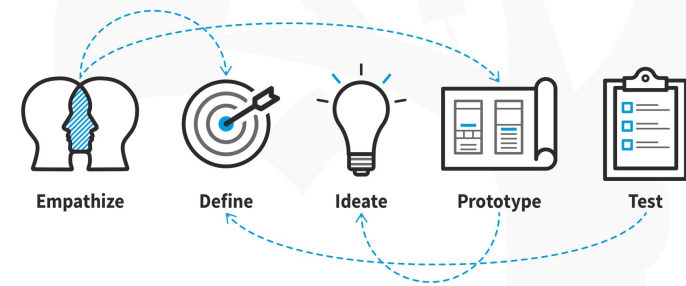


Build-Measure-Learn loop. Adapted from Ries (2011)
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Useful perspectives – User-centric and Collaborative

Top-down	████████████████████	Bottom-up
Authoritarian	████████████████████	Collaborative
One right fit	████████████████████	Multiple right fits
Solution first	████████████████████	Problem first

Design Thinking: A 5-Stage Process

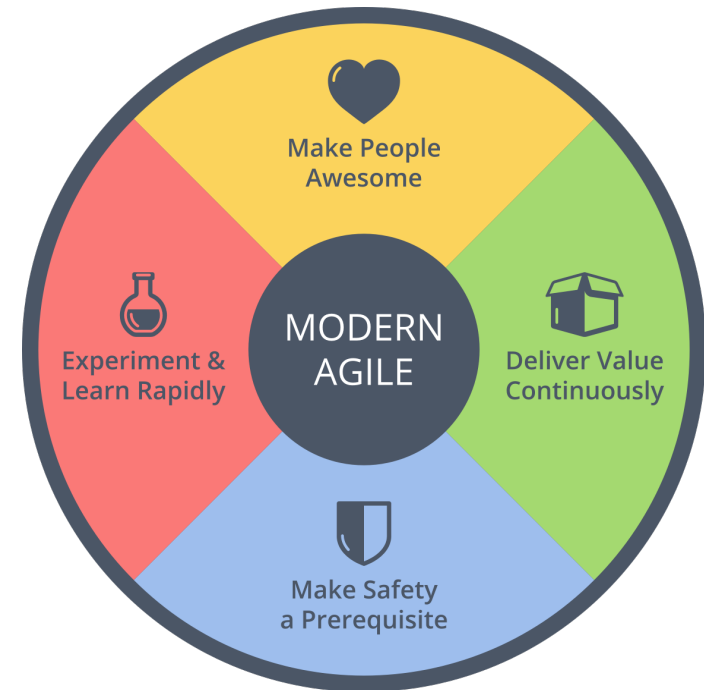


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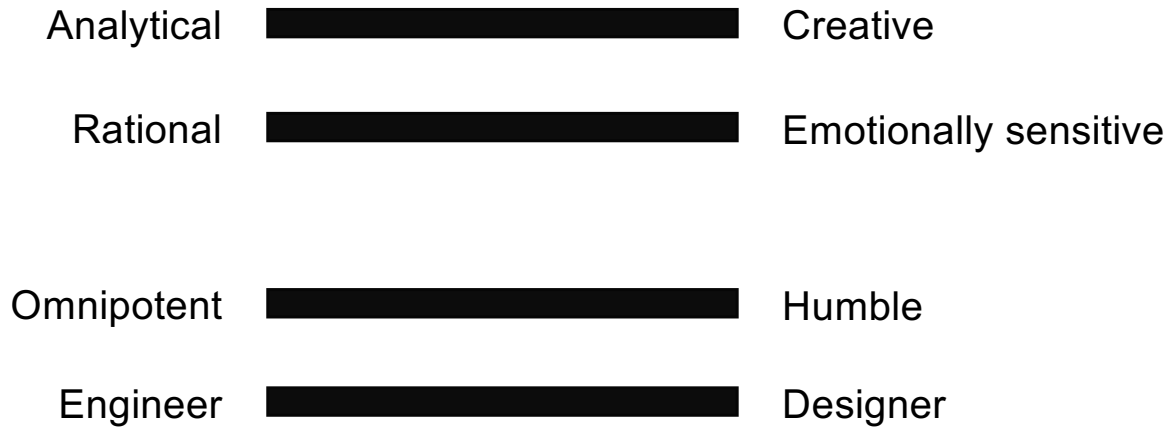
Useful perspectives - Agile

Big bang	████████████████████	Minimal Viable Change
One-time	████████████████████	Continuous
One-size fits most	████████████████████	Taylor-made
Plan	████████████████████	Prioritization



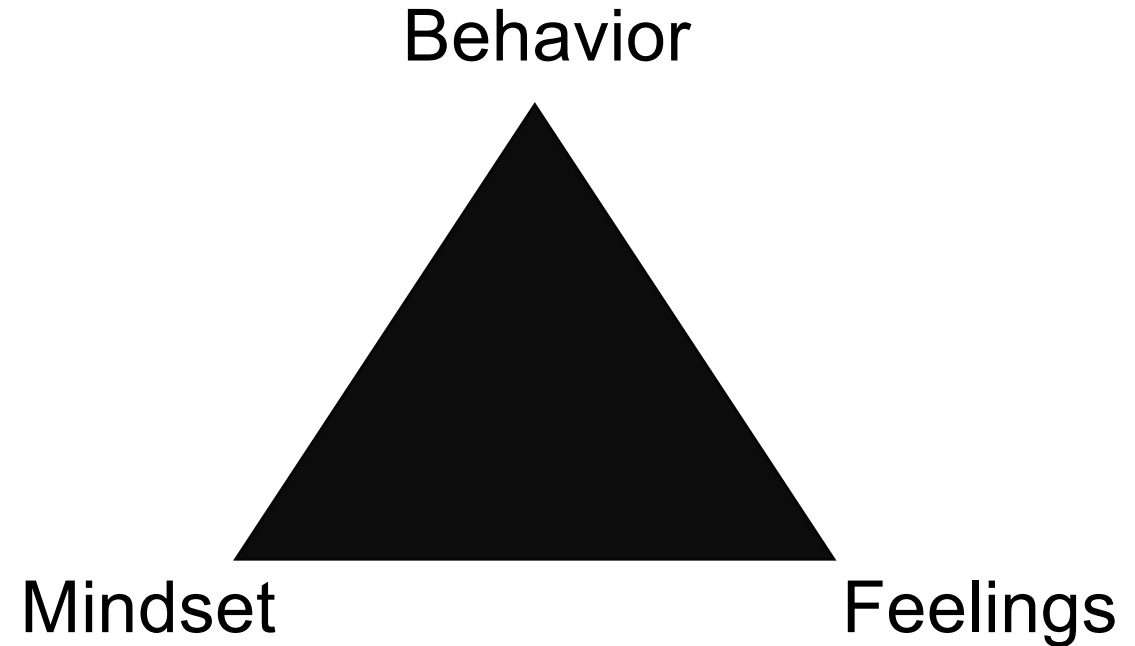
Source: <https://modernagile.org/>

Useful perspectives – Designer Mindset



Useful perspectives - Feelings

It is not enough to focus on the behavior, but we can start there



Useful perspectives - Luck

Serendipity = an unplanned fortunate discovery



Other considerations about change

- Engel's pause
- "Change resistance"
- Scaling as fast as 1on1 conversations
- Top management buy-in is important still
- ...

References

- Burton, R. M., Obel, B., & Håkonsson, D. D. (2015). Organizational design. Cambridge University Press.
- Burton, R. M., Obel, B., & Håkonsson, D. D. (2021). Organizational design. Cambridge University Press.
- Dunbar, R. L., & Starbuck, W. H. (2006). Learning to design organizations and learning from designing them. *Organization Science*, 17(2), 171-178.
- Cummings, T. G., & Worley, C. G. (2014). Organization development and change. Cengage learning.
- Galbraith, J. R. (2002). Organizing to deliver solutions. *Organizational dynamics*, 31(2), 194.
- Photos from Pexels
- <https://modernagile.org/>

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